STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[redacted]

Reg. No.:	201317542
Issue No.:	2026; 3015
Case No.:	[redacted]
Hearing Date:	January 17, 2012
County:	Wayne (17)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on January 17, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [redacted], Claimant's neice and interpreter. Participants on behalf of the Department of Human Services (Department) included [redacted], Assistance Payment Worker.

ISSUE

Did the Department properly close Claimant's Food Assistance Program (FAP) case based on excess income?

Did the Department properly provide Claimant and her husband with MA coverage with monthly deductibles of $704?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Claimant was an ongoing recipient of FAP benefits and full-coverage MA.

2. In connection with a FAP redetermination, the Department recalculated Claimant's FAP and MA budgets.

3. In a November 15, 2012, Notice of Case Action, the Department advised Claimant that, effective December 1, 2012, Claimant's FAP case would close because the group's net income exceeded the FAP net income limit for her group size and she and her husband would be receive MA coverage with monthly deductibles of $704.

4. On December 13, 2012, Claimant filed a request for hearing disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

☐ The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq*. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq*., and Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

☒ The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq*., and Mich Admin Code, R 400.3001 through R 400.3015.

☒ The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq*., and MCL 400.105.

☐ The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq*.

☐ The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq*., and Mich Admin Code, R 400.3151 through R 400.3180.

☐ The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001 through R 400.5015.

Closure of FAP Case
At the hearing, the Department presented the December 1, 2012, ongoing, FAP budget it used to establish that Claimant was not eligible for FAP benefits because her net income exceeded the FAP net income limit for her group size. A review of this budget with Claimant during the hearing established that the Department acted in accordance with Department policy when it found that Claimant was not eligible for FAP benefits based on her income. BEM 556 (July 1, 2011), pp 1-6; RFT 250 (October 1, 2012), p 1; RFT 255 (October 1, 2012), p 1.

Calculation of Deductible
In connection with the redetermination, the Department concluded that Claimant and her husband were eligible for MA coverage with monthly deductibles of $704. Claimant and her husband are eligible for full MA coverage if their monthly net income, calculated in accordance with Department policy, does not exceed applicable Group 2 MA protected income levels (PIL) based on the shelter area and fiscal group size, which for Claimant and her husband is $500. BEM 135 (January 1, 2011), p 2; BEM 544 (August 1, 2008), p 1; RFT 240 (July 1, 2007), p 1; RFT 200 (July 1, 2007), p 1. If Claimant's net monthly income is in excess of the applicable monthly PIL, she may be eligible for MA assistance under the deductible program, with the deductible equal to the amount that her monthly net income exceeds $500, the applicable PIL. BEM 545 (July 1, 2011), p 2.

At the hearing, Claimant verified that she and her husband lived together in [redacted] County, that they had three minor children, that her husband received RSDI income of $1898, and that she received RSDI income of $237. Her testimony established that she had not submitted any documentation during her redetermination entitling her to a deduction permitted under policy. See BEM 544 (August 1, 2008), pp 1-3. A review of the MA budget shows that, based on the foregoing information, the Department calculated Claimant's total net income of $1204 in accordance with Department policy. See BEM 536 (October 1, 2010), pp 1-5. Because Claimant's net income of $1204 exceeds $500, the applicable PIL, by $704, the Department calculated Claimant's deductible of $704 in accordance with Department policy.

Although the Department did not provide an MA budget for Claimant's husband, a review of the figures relied upon by the Department in calculating Claimant's deductible shows that the Department acted in accordance with Department policy when it calculated Claimant's husband's monthly deductible of $704 as well.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department
☒ did act properly when closed Claimant's FAP case for excess income and determined that Claimant and her husband were eligible for MA coverage with monthly deductibles of $704.
☐ did not act properly when .

Accordingly, the Department's decision is ☒ AFFIRMED ☐ REVERSED for the reasons stated on the record and above.

Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: January 24, 2013

Date Mailed: January 24, 2013

NOTICE: Michigan Administrative Hearing System (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request. (60 days for FAP cases)

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
  - misapplication of manual policy or law in the hearing decision,
  - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
  - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

ACE/hw

cc: [redacted]